(5)

"In accordance with the provisions of rule 120 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to inform you that Lok Sabha, at its sitting held on the 20th August, 2001, agreed without any amendment to the Repealing and Amending Bill, 2001, which was passed by Rajya Sabha at its sitting held on the 7th August, 2001."

RE. QUESTION OF PRIVILEGE

SHRI KAPIL SIBAL (Bihar): Mr. Chairman, with your permission, under rule 188 of the Rules of Procedure and Conduct of Business in the Council of States, I wish to raise a question of privilege in respect of a specific matter of recent occurrence which requires the intervention of the Council. The question of privilege relates to the Finance Minister, Shri Yashwant Sinha, who, during the course of his response in the Rajya Sabha, in the Short Duration discussion relating to the UTI, misled the House by, *inter alia*, stating the following on August 1, 2001, "If we had been kept in the picture, if he had come to us, we would have told him as to what exactly had to be done. After all, if we can solve the problem after the 2nd of July, why could we not have solved the problem before 2nd July. It was not because of any lack of desire or will on the part of the Ministry of Finance. It was entirely because, deliberately, we were kept in the dark..."He further says "...Secondly, on what strength does the Ministry of Finance interfere at that stage and ask the UTI to do one and not do the other? We, therefore, decided it may be an error judgment, I do not know, but, at that point of time, that was the judgment that we made in the Ministry of Finance -- to intervene only after the UTI Board had taken a decision; we intervened only after the UTI Board took the decision in its wisdom."

Now, it is learnt, through a report in the *Business Standard*, New Delhi, dated August 4-5, 2001, annexed, that the statement made by the Finance Minister on the floor of the House was contrary to the facts as stated in the newspaper report which quoted from the bail application filed on behalf of Mr. P.S. Subramanyam before the Special Judge at Mumbai. In the said application, it was stated that Mr. Subramanyam had apprised the Government on May 18 and June 30 about the state of affairs in the UTI.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI O. RAJAGOPAL) : Sir, is he reading the whole case?

SHRI KAPIL SIBAL: The newspaper report says "the following has been stated in the application."

MR. CHAIRMAN: You need not repeat the whole thing.

SHRI KAPIL SIBAL: Sir, I am not repeating it. I am just reading it so that I don't have to make a speech on it. I just want to read it and then I want to...

MR. CHAIRMAN: You need not read the whole thing.

SHRI KAPIL SIBAL: Sir, I want to atleast tell the country as to why I am moving this privilege motion; otherwise, the people would not know why I moved this privilege motion. It is for that reason alone *...(Interruptions)...* I have got the original bail application with me a certified copy of the bail application. I am quoting *...(Interruptions)...*

श्री रामदास अग्रवाल (राजस्थान) : समापति जी, अखबार के आधार पर बात नहीं हो सकती। **...(व्यवधान)...**

SHRI KAPIL SIBAL: As per the rules, I can read out the notice..*(Interruptions)...*

SHRI NILOTPAL BASU (West Bengal) : Sir, the rule is very specific *...(Interruptions)...*

श्री कपिल सिब्बल : नहीं-नहीं छपा नहीं है। मेरे पास बेल एप्लीकेशन है, मेरे पास सर्टिफाईड कॉपी है। वह छपने की बात नहीं है, हम अखबार की बात नहीं कर रहे हैं। **...(व्यवधान)...**

श्री रामदास अग्रवाल : ...(व्यवधान)... जो स्वयं एक्यूज्ड है उसके एफिडेविट से हमको क्या मतलब है **...(व्यवधान)...**

SHRI KAPIL SIBAL: Sir, you should atleast allow me to *...(Interruptions)...*

SHRI K.M. KHAN (Andhra Pradesh) : They are obstructing *...(Interruptions)...*

SHRI KAPIL SIBAL: The newspaper report says "the following has been stated in the application: 'Left with no alternative even after indicating the same to the Government, a proposal was made to the Finance

Secretary...by a letter dated 30th June ...*(Interruptions)*... by the petitioner Shri Subramanyam in order to ...*(Interruptions)*...

MR. CHAIRMAN: You need not read the whole thing ...*(Interruptions)*...

SHRI KAPIL SIBAL: I just want to read this quotation, Sir, because this is what Mr. Subramanyam had said ...*(Interruptions)*... It is entirely contrary to the statement ...*(Interruptions)*... in the House ...*(Interruptions)*... Sir, what is wrong in reading the notice? ...*(Interruptions)*.. You have given me permission to read out the notice, Sir ...*(Interruptions)*...

SHRI NILOTPAL BASU: Sir, on the 17th of this month, this issue was raised on the floor of this House. The Minister of State in the Ministry of Parliamentary Affairs told us that he would get back to the Minister of Finance and then get back to the House, but there was no response from the Government ...*(Interruptions)*...

MR. CHAIRMAN: Let him read it ...*(Interruptions)*...

SHRI KAPIL SIBAL: I just want to finish reading it, that is all, Sir ...*(Interruptions)*...

MR. CHAIRMAN: The question is, he has given a notice of privilege and I am considering that. If I admit, it will be referred to the other House because the Finance Minister is not a Member of this House. So, what he has submitted ...*(Interruptions)*...

SHRI KAPIL SIBAL: Exactly, Sir. There is nothing more.

MR. CHAIRMAN: There is nothing more which is going to be done ...*(Interruptions)*... No, no. ...*(Interruptions)*...

SHRI S.S. AHLUWALIA (Jharkhand) : Sir, what is the content of the speech, what he is reading? He is a learned barrister, Sir ...*(Interruptions)*...

SHRI KAPIL SIBAL: It is not a speech ...*(Interruptions)*...

SHRI K. M. KHAN: How can you question the contents? ...*(Interruptions)*...

MR. CHAIRMAN: We are not going to deal with it ...*(Interruptions)*...

SHRI K.M. KHAN: He has given to the hon. Chairman a copy of the ...*(Interruptions)*...

SHRI KAPIL SIBAL: I am just quoting from the bail application. "Left with no alternative, even after indicating the same to the Government, a proposal was made to the Finance Secretary *vide* letter dated 30th June by the petitioner in order to further apprise the Finance Minister of the said situation", the bail application said. Subramanyam also met the Finance Minister on July 2nd, who advised ...*(Interruptions)*...

THE MINISTER OF RURAL DEVELOPMENT (SHRI M. VENKAIAH NAIDU) : Sir, we are not coming in the way, but what he is now referring to is some affidavit filed by the ...*(Interruptions)*...

SHRI KAPIL SIBAL: "... the petitioner to go with the scheduled meeting of the Board of Trustees on the same day in Delhi ...*(Interruptions)*... for either announcing US 64 at the base price or suspend sales and repurchase." Thereafter, ...*(Interruptions)*... Shri Subramanyam stated in the application that " the Finance Minister, Shri Yashwant Sinha, time and again, made inquiries as to why measures were not taken by the financial institutions to invest large sums in backward States, particularly in Bihar and Uttar Pradesh." ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: Sir, I request that a ruling be given on what has been submitted by him. He has read something which is *sub judice.* Do we have a court in the House? ...*(Interruptions)*...

MR. CHAIRMAN: This will be examined. ...*(Interruptions)*... I will examine it. The Finance Minister wants to say something. ...*(Interruptions)*...

SHRI NILOTPAL BASU: I am on a point of order.

MR. CHAIRMAN: What point of order? ...*(Interruptions)*... Let the Finance Minister speak. The Finance Minister is replying. ...*(Interruptions)*... I have called the Finance Minister. ...*(Interruptions)*... No.

SHRI NILOTPAL BASU: Sir, one week earlier ...*(Interruptions)*...

MR. CHAIRMAN : I have permitted the Finance Minister. ...*(Interruptions)*... I have permitted him. ...*(Interruptions)*... I have permitted the Finance Minister to say something. ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU : The Chairman has permitted him. ...*(Interruptions)*...

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, the hon. Member, Shri Kapil Sibal, had raised this issue in the House on the

10th of August, last week. The news report to which he has referred is the 'Business Standard' dated 4th August, in which a reference was made to the bail application made by the former Chairman of the UTI before a Bombay Court. Sir, I am not, at this point of time, inclined to join issue with him, because this matter is under your consideration; and I am sure, you would take all factors into consideration before you take further action on this. But there are only two or three points, which I would like to place on the record of this House. This news report, Sir, appeared on the 4th of August, as I said. The 4th and 5th August were Saturday and Sunday. After that, 6th, 7th, 8th, and 9th, four days of that week passed, but this issue was not raised in the House. Sir, it was raised on Friday, the 10th of August. I have a verbatim copy of the statement which was made then by the hon. Member, Shri Kapil Sibal, and I also received a communication from the hon. Minister of Parliamentary Affairs which said, 'According to your direction, the Government could respond to this', that I could come to the House and respond to this. I was willing to make a response, Sir, last Tuesday, which is my Question day in this House, but, unfortunately, because the House got adjourned, I did not get an opportunity of responding to this. The point I am making is, on the 10th of August, when Shri Kapil Sibal made this statement in this House, from the verbatim record, Sir, I find that Shri Sangh Priya Gautam and Shri T.N. Chaturvedi raised the issue : "Is this a Privilege Motion? Is this a Privilege Motion?" And, there was no reference to any Privilege Motion. Mr. Kapil Sibal has said nothing new than what he had stated on the 10th of August, and it is nothing but flogging a dead horse, that he is repeatedly raising the same issue in this House only in order to get media attention. That is all. ...*(Interruptions)*...

SHRI KAPIL SIBAL : Sir, I would like to respond. ...*(Interruptions)*...

श्री बालकवि बैरागी (मध्य प्रदेश) : यह दूसरा प्रिविलेज हो गया है। आप कब तक बचते रहेंगे। **...(व्यवधान)...**

श्री दीपांकर मुखर्जी (पश्चिमी बंगाल) : आप रोज फंसते जा रहे हैं। **...(व्यवधान)...**

श्री मूलचन्द मीणा (राजस्थान) : आप फिर फंस जाओगे। **...(व्यवधान)...**

श्री रामदास अग्रवाल : सभापति महोदय, आपने क्या उनको बोलने के लिए अलाऊ किया है ? **...(व्यवधान)...**

SHRI KAPIL SIBAL : Mr. Chairman, Sir, the hon. Finance Minister seems to be in the habit of losing his temper. ...*(Interruptions)*... However,

Sir, I have to make one thing clear. Whereas the hon. Finance Minister was not cautious enough in making a statement on the floor of this House, I was extremely cautious, before I moved the Privilege Motion in this House. ...*(Interruptions)*... It is only when I got a certified copy of Mr. Subramanyam's application in the court that I decided to move a Privilege Motion. Before that, I was very cautious. But, of course, the hon. Finance Minister was not cautious enough when he made the statement on the floor of the House. What can we do about it? That is the explanation, Mr. Finance Minister. I hope you would now understand why I did not raise this issue before the 10th of August.

MR. CHAIRMAN: Do you want to say something, Mr. Yashwant Sinha ...*(Interruptions)*...

श्री एस.एस. अहलुवालिया : सर, कपिल सिब्बल साहब खुद विद्वान हैं, बैरिस्टर हैं, सुप्रीम कोर्ट में प्रैक्टिस करते हैं और सारे कानूनों को जानते हैं। ये बहुत अच्छी तरह से इसको जानते हैं और उस चीज की पैरवी कोर्ट में करते हैं। ...(व्यवधान)...

श्री बालकवि बैरागी : इसीलिए चार दिन रुके रहे। ...(व्यवधान)... इसीलिए चार दिन रुके रहे। ...(व्यवधान)...

एक माननीय सदस्य : हर बात पर बोलना जरूरी नहीं है आपके लिए। ...(व्यवधान)...

श्री एस. एस. अहलुवालिया : यह कविता का मामला नहीं है। ...(व्यवधान)...

श्री बालकवि बैरागी : मैं बराबर का मैम्बर हूं ...(व्यवधान)...

श्री एस.एस. अहलुवालिया : सभापति महोदय, ये खुद कानून के ज्ञाता हैं ...(व्यवधान)... कविता का कोई अपमान नहीं होगा ...(व्यवधान)...

श्री बालकवि बैरागी : क्या कह रहे हैं आप ...(व्यवधान)...

श्री एस.एस. अहलुवालिया : सभापति महोदय, मैं कविता शब्द वापस लेता हूं ...(व्यवधान)...

MR. CHAIRMAN: He has withdrawn that word.

DR. ALLADI P. RAJKUMAR (Andhra Pradesh) : Sir, I want to seek a clarification from the Chair.

MR. CHAIRMAN: The Chair cannot give any clarification.

DR. ALLADI P. RAJKUMAR: Sir, I am a layman. Kindly clarify whether on the basis of an affidavit a privilege motion can be raised in the House or not. Please let me know.

MR. CHAIRMAN: The hon. Minister has spoken on it. Now, the issue is closed.

श्री एस.एस. अहलुवालिया : समापति जी, मेरा यही कहना है ...(व्यवधान)... मेरी बात समाप्त नहीं हुई है।

MR. CHAIRMAN : Now, क्या बात है।

श्री एस.एस. अहलुवालिया : मैंने अपनी बात रखी कहां है।

MR. CHAIRMAN: This issue is closed now.

SHRI S.S. AHLUWALIA: Sir, you had identified me. Whether the issue is closed or not, is a different matter. My point is that he is raising some issue...

श्री दीपांकर मुखर्जी : कविता का मामला है ...(व्यवधान)...

श्री एस.एस. अहलुवालिया : हो गया...(व्यवधान)... विदड्रा हो गया है। ये झूठमूठ का झगड़ा करना चाह रहे हैं ...(व्यवधान)...

MR. CHAIRMAN: He has spoken and the issue is now under my consideration. It is now finished.

श्री एस.एस. अहलुवालिया : प्रिविलेज का मामला बनाया है ...(व्यवधान)... मैं यह कहना चाहता हूं ...(व्यवधान)... इसका टाईम नहीं ...(व्यवधान)...

श्री सभापति : श्री नीलोत्पल बसु। This issue about the privilege motion is now closed.

श्री दीपांकर मुखर्जी : ऐसे नहीं बोला जाता है। कविता का मामला है, हमारे प्रधान मंत्री जी कवि हैं और ये कह रहे हैं कि कविता का मामला नहीं है। क्या इरादा है हाउस में ...(व्यवधान)... एक्सपंज कराइये, कविता का मामला हटाइये ...(व्यवधान)...

श्रीमती सरला माहेश्वरी (पश्चिमी बंगाल) : अपने शब्द वापस लीजिए ...(व्यवधान)...

MR. CHAIRMAN: He has withdrawn that word.

SHRI S.S. AHLUWALIA: I have already witdrawn that word. प्रिविलेज का मामला बनाया है ...(व्यवधान)...

श्री सभापति : किस बात का?

श्री एस.एस. अहलुवालिया : प्रिविलेज का ...(व्यवधान)...

MR. CHAIRMAN: It is under consideration.

SHRI S.S. AHLUWALIA: But it is in the rule book.

MR. CHAIRMAN: I am considering it. Now, Mr. Nilotpal Basu.

Matter Raised with Permission - Appointment of Shri Arun Singh as advisor and Consultant in the Ministry of Defence

SHRI NILOTPAL BASU (West Bengal): Sir, the problem here is that even after issues are raised in the House or in the media, the Government does not find an appropriate time to come and take the House into confidence, when the Parliament session is going on. The issue that I am going to raise - It is good that the hon. Leader of the House is also present in the House - is that there has been a very disturbing report published in the Press that Mr. Arun Singh, who was appointed as the Advisor to the Defence Minister, has been taking meetings with senior Defence Service officials. So far as the Press reports are concerned, we are not aware whether he has taken any Oath of Secrecy of Office. He is not, by any chance, accountable to the Parliament. I do not know to whom is he accountable. But, the report is that he is proceeding with the issue of restructuring of the Defence Services.

Sir, we know the record of this Government on the restructuring of the Defence Services. In 1999, after that unseemly controversy regarding Admiral Bhagwat, the then and now erstwhile Defence Minister, Mr. George Fernandes, had announced publicly that within one month they will restructure the Defence Services. That period was over by 31st January, 2000. Now, again we are hearing about the restructuring of the Defence Services. This gentleman, Mr. Arun Singh, as reported in the Press, is taking meetings and is giving verbal orders. The Officers are obviously, as alleged, very upset about the whole thing.

Now, this report has been published last week. This is a serious matter. There is no clarification from the Government. On the earlier issue also, the same thing happened. On the 10th, the issue was raised, the Finance Minister says, ...*(Interruptions)*... Since the issue was raised in the House, it is the property of the House. Each one of us has the right to know about it. On the 10th, the Minister of Parliamentary Affairs, Mr. Gangwar, had promised in this House that he would get back to us. But nothing happened.

If somebody is moving a privilege motion, the Government gets upset. The Minister is, particularly, upset over somebody getting media attention. I do not know why they are sensitive about this. So, we want a clarification on the defence matter in the House. It is too sensitive a matter to be left at that. We want a clarification from the Government.